Distr.
GENERAL

IDB.10/18
14 September 1992

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Tenth session
Vienna, 2-6 November 1992
Item 3 of the provisional agenda

PROGRESS REPORT FOR 1992 ON SPECIFIC UNIDO ACTIVITIES

Submitted by the Director-General

Summary

Updates and supplements, as of 31 August 1992, information provided in the Annual Report of UNIDO 1991 (IDB.9/10 and Corr.1 and 2) concerning the progress of: (a) implementation of the measures referred to in General Conference resolution GC.4/Res.6 on the Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean; and (b) implementation of resolution GC.4/Res.15 on the development of human resources.

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Introduction

1. The present document provides progress reports on some programmes and activities for 1992 that are not the subject of a specific item under the provisional agenda for the tenth session of the Board, but on which the General Conference or the Board has expressed the wish to see a progress report submitted to that session. Information is thus provided on activities related to the Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean (GC.4/Res.6, para. 4) and the development of human resources (GC.4/Res.15, para. 5). Information on the UNIDO energy programme (IDB.9/Dec.3, para. (e)) will be provided in an addendum to the present document.

I. REGIONAL COOPERATION PROGRAMME FOR THE INDUSTRIAL RECOVERY OF LATIN AMERICA AND THE CARIBBEAN

2. The General Conference at its fourth session adopted resolution GC.4/Res.6 on the Regional Cooperation Programme for the Industrial Recovery of Latin America and the Caribbean. In that resolution the Conference, while appreciating the efforts of the Secretariat in launching the Regional Programme, requested the Director-General to take a number of actions and report on them to the Board at its tenth session. Subsequently, the Board tentatively decided to schedule the consideration of the Regional Programme for its eleventh session (see IDB/S.4/Dec.2 and IDB.9/Dec.19). The present progress report is nevertheless submitted to the tenth session in order to comply with the reporting requirements

V.92 55765 3641E

Distr.: 17 September 1992

set forth in Conference resolution GC.4/Res.6. In updating the most recent reports on the Regional Programme (GC.4/12/Rev.1 and IDB.9/10, chap. II, para. 38), the present chapter provides an account of the execution of each of the measures requested in paragraph 1 of General Conference resolution GC.4/Res.6.

A. Information to countries concerned

3. At the first biennial meeting of the Programme in September 1991 (for the report of the meeting, see GC.4/CRP.10) representatives of recipient and donor countries were informed of the progress achieved in the operational programmes and the status of the pipeline programmes at the time. Subsequently, the Conference requested the Director-General to keep the countries of the region continuously informed, through the Permanent Missions, of the status of implementation of each project identified, and to submit to them every new project with details of the financing requirements and the other actions needed for its execution (para. 1 (a) of GC.4/Res.6).

4. A status report on the capital goods project dated 23 June 1992 was made available to the Permanent Missions of the countries concerned. It gave details on the origin and development of the programme, the actions taken and progress achieved so far in addressing the problems of reduced financing that forced a scaling-down of budget and outputs and the institutional problems that arose during the preparation of the operational regional programme.

5. In August 1992 a detailed progress report on the industrial subcontracting programme was made available to the Permanent Missions of the countries of the region. At the time of preparation of the present report, there were subcontracting exchanges in all 13 countries, with seven of them having two or more exchanges already operational. These exchanges are designed to cover both products and services. Currently, product coverage includes mostly metalworking and plastic industries, followed by garment and electrical products. The first service coverage, including insurance, began operating in April. Two additional project extensions are under preparation: the first will cover four countries (Costa Rica, Dominican Republic, El Salvador and Honduras); the second will be a project specifically tailored for the Caribbean but fully compatible with the existing Latin American network of subcontracting exchanges.

B. Development and implementation of projects

6. The General Conference requested that in the implementation of the Regional Programme particular attention be paid to: the early launching of the operative phase of the three projects originally identified (promotion of investments at regional level, biotechnology and agro-industry); the completion of the preparatory studies for the additional projects; and the submission of new projects. It also requested that donor countries and international financial institutions be urged to energetically pursue the promotion of the projects, so as to ensure their adequate financing (para. 1 (b) and (c) of the resolution).

7. Concerning the launching of the operative phase of the three programmes originally identified, at the time of preparation of the present report two main projects were under preparation concerning the investment promotion programme. One is for Central America, where work has progressed at the national level to ensure an effective interplay among the subregional projects. The second is phase II of the Andean Group project which will follow up on the project opportunities identified in phase I, thus linking technical assistance with effective investment.

8. On biotechnology, discussions were held with the Federación Latinoamericana de Asociaciones y Empresas de Biotecnologia (FELAEB) to prepare a regional programme for industry. However, before undertaking the corresponding preparatory assistance, a decision was needed on the follow-up status of the United Nations Development Programme (UNDP) regional project on biotechnology that addresses research and pilot plant activities. Late in April 1992, UNDP decided that UNIDO carry on activities related to the servicing of the 13-country research network under a three-year project with a value of $550,000. The project was approved in September 1992. A meeting of the Board of the regional biotechnology network is scheduled for December 1992 in Argentina, at which time discussions will be held with other international organizations to facilitate overall coordination of action in biotechnology in Latin America and the Caribbean.

9. The agro-industries programme was under reformulation to better meet the criteria of clean technologies, assistance to micro-, small- and medium-scale industries, support to rural development and the social sector, integration of women and quality production. Discussions were in progress with the Latin American and Caribbean Association on Food Science and Technology, the Inter-American Institute for Cooperation in Agriculture (an Inter-American Development Bank institution) and the Rural Agroindustrial Development Programme. Subregional programmes for Central America and the Caribbean are under preparation.

10. Concerning the preparatory studies for the additional programmes on training, software and new materials (para. 1 (b) (ii) of the resolution), work will be carried out based on the project proposals presented to GRULAC in September 1991. Priority will be given to training by pursuing the promotion and development of centres of excellence and support to the five priority programmes: subcontracting, capital goods, investment promotion, biotechnology and agro-industry. On software, negotiations were under way with UNDP concerning phase II of the ongoing regional project on informatics and microelectronics, which was extended till December 1992. The GRULAC programme on software will be complemented and coordinated with phase II of that project. Regarding new materials, the preparatory assistance will be implemented as soon as the staff shortage situation at UNIDO Headquarters is alleviated. New projects within the above programmes will be submitted to GRULAC as soon as they become available (para. 1 (b) (iii) of the resolution).

11. Efforts continued concerning the promotion of the Regional Programme's projects to ensure their adequate financing. Thus, as a result of the visit of a UNIDO delegation to the Inter-American Development Bank in January 1992, the Bank was considering the signature of a framework agreement with UNIDO as well as its possible participation in the industrial subcontracting (for Caribbean countries) and investment promotion programmes.

12. In line with the concerns reflected in paragraph 1 (d) of resolution GC.4/Res.6, further measures were taken to better define the contents of the projects included in each programme, and ensure that they meet not only the regional but also the national priorities of all countries of the region. For that purpose, all project proposals were circulated to GRULAC, Vienna, for comments. Furthermore, a field visit was undertaken in February 1992 in order to better coordinate activities, and ascertain the views of national counterparts of operational projects for consideration when designing new projects. As a result, interesting cooperation activities were identified with the Latin American Economic System, the Latin American Integration Association, the Association of Latin American Industrialists, the Andean Group Secretariat, the Andean Development Corporation and FELAEB. The public and private sector counterparts visited on that occasion expressed their positive experiences with the ongoing programmes (subcontracting and capital goods). The main aim of the measures undertaken by the Secretariat was to prepare an updated plan of action for 1992, for execution at programme and project levels. However, the preparation of the updated plan of action was delayed by two main factors: a major institutional problem that arose late in February 1992 in the capital goods programme, and staff shortages in the UNIDO Secretariat.

II. DEVELOPMENT OF HUMAN RESOURCES

13. Evoking the framework within which the UNIDO programme for the development of human resources is conducted, the General Conference adopted resolution GC.4/Res.15 on that subject. The resolution highlighted, inter alia, the importance of linkage with the transfer of new and high technologies, the economic and technical cooperation among developing countries (ECDC/TCDC), and the integration of women in all industrial human resource development activities. The Director-General was also requested to prepare, within the comprehensive policy framework for UNIDO operations (GC.3/8), a component that addresses the needs of managerial training and development of human resources for developing countries, particularly in the areas of advanced technologies and managerial, quality control and productivity techniques, oriented towards the strengthening of developing countries' capabilities for national execution of technical projects.

14. In the interest of brevity, the present document presents selectively information on those activities of most direct relevance to the mandates contained in General Conference resolution GC.4/Res.15. Information on the 1992 overall activities of the human resource development programme will be provided in the Annual Report of UNIDO 1992.

15. In response to the General Conference mandates and as reflected in the medium-term plan, greater attention is being focused on the design of activities within the industrial human resource development programme to ensure: (a) appropriate linkage between development of human resources and transfer of new and high technologies; (b) the enhancement of the ECDC/TCDC component in human resource development programmes, with increased emphasis on South-South cooperation; (c) the enhancement of the integration of women in all industrial human resource development activities of the Organization; and (d) the improvement of quality and effectiveness in human resource development activities. While financial constraints have limited the possibility of expanding activities to address each of those concerns per se, every effort is made to incorporate relevant elements in ongoing activities. For instance, one in-plant group training programme, held at Krakow, Poland, from May to July 1992, addressed the concerns of Member States with respect to TCDC, transfer of technology and the training of managers. Entries in the updated Guide to Training Opportunities for Industrial Development (PI/109) also reflect those concerns. In all activities, utmost care is taken to ensure maximum quality and effectiveness.

A. Activities relevant to transfer of new and high technologies

16. In planning and designing the integration of the three main components (experts, training and equipment) within large-scale technical cooperation projects, the Organization has continued to develop linkages between development of human resources and transfer of new and high technologies. Such linkages are also reflected in activities being currently planned or implemented by the Industrial Human Resource Development Branch. In the following selective listing of relevant training activities carried out thus far in 1992, the special importance accorded to new and high technologies can easily be noted.

Venue/date	Subject	Objective/comments
Budapest, Hungary May-June 1992	Biomedical equipment maintenance and repair	Introduce new skills in biomedical equipment maintenance and repair as well as produce training material, e.g. a video cassette for Latin American training centres (follow-up to 1991 activity held in cooperation with France, IAEA and WHO)
Odessa, Ukraine May 1992	Advanced information technology applications and networks integration	Introduce participants to advanced hardware and software applications related to teleinformatics, electronic mail systems and computer networks to establish on- and off-line linkage with UNIDO and other databases
Managua, Nicaragua May 1992	Appropriate technologies for Central America	Promote, develop, disseminate and transfer appropriate technologies for strengthening of productive system in Central America, within subregional integration framework
Brno, Czechoslovakia March 1992	Technology transfer and contracting	Enhance capabilities of developing countries in negotiation and acquisition of technologies, particularly from foreign sources
Trieste, Italy (ICGEB and ICS) ongoing	Genetic engineering and biotechnology	Enhance awareness of scientists and experts from developing countries in new technologies (regular training courses as part of ICGEB and ICS programmes)

B. Enhancement of ECDC/TCDC in human resource development activities

17. Cooperation among developing countries continues to represent an important component of the human resource development programme. Confronted with scarce resources, the approach focuses on incorporation of ECDC/TCDC, and particularly of South-South cooperation, into training activities. That approach is exemplified by the creation of two associations (one each in Asia and North Africa) as a follow-up to group training programmes on building materials held in 1991 and 1992 in France, Morocco and Tunisia designed to enhance the cooperation and exchange of experience and information between former participants and institutions. Within the framework of both South-South and North-South cooperation, these programmes also involved the training of managers from both Asia and North Africa.

18. Eight countries in the Preferential Trade Area for Eastern and Southern African States participated in a technical course on timber construction held at Harare, Zimbabwe, in March 1992, within the framework of a project on intraregional cooperation in the development of plantation-based forest industries. Under the same project a technical course on furniture and joinery production was held at Blantyre, Malawi, in February 1992.

19. Also within the framework of TCDC, Turkey continued to play an important role in financing and hosting in-plant group training programmes. Arrangements have been completed for eight such programmes in 1992, an increase from seven held in previous years.

C. Integration of women in human resource development activities

20. To enhance the integration of women in industrial development, that component is emphasized in a number of projects. Furthermore, a workshop for UNIDO Country Directors, similar to that conducted in June 1991, was held in January 1992 with a view to strengthening the capacity of UNIDO staff in addressing relevant aspects of women in development in programmes and projects. Women-in-industry/development experts were attached to country programming and industrial sector review missions in order: (a) to ensure that women are taken into consideration in industrial sector inputs for the fifth UNDP programming cycle (1992-1994); (b) to assess the status of women within and their contribution to the national human resource base for industry; and (c) to determine, together with other needs, the human resource technical cooperation measures required to integrate women into the national industrial base.

21. UNIDO encourages developing countries to nominate women to participate in training programmes. While there is considerable room for improvement, some progress has been noted in that respect. The percentage of women participants in in-plant group training programmes increased from 6 to 12 per cent from 1990 to 1991. In other group training programmes the proportion rose from 14 to 18 per cent of all participants in the same period.*

22. Programmes designed for skills development of women entrepreneurs and managers are under way in various fields. The UNIDO training programme for women entrepreneurs in the food-processing industry is being disseminated (see IDB.6/10, chap. IV, para. 27). A preparatory mission to Guatemala and Honduras resulted in the development of a regional project proposal based on the training programme. Projects to introduce the training programme were developed for the Gambia and the United Republic of Tanzania. In Malaysia, a preparatory mission will be carried out to assess the suitability of the programme for that country's women entrepreneurs. To enhance dissemination, the training programme is being translated into French.

D. Managerial training

23. In resolution GC.4/Res.15, the Director-General was requested to prepare a component within the comprehensive policy framework for human resource development (GC.3/8) which addresses the needs of managerial training and development of human resources for developing countries, particularly in the areas of advanced technologies and managerial, quality control and productivity techniques, oriented towards the strengthening of developing countries' capabilities for national execution of technical projects. At a meeting convened in March 1992 at Turin, Italy, senior fellowship officers of the United Nations system called for coordination in the training of national counterparts. While no specific recommendations were adopted on that subject, hope was expressed at the meeting that the agencies and fellowship services involved could agree on some measure of co-sponsorship of training workshops and seminars.

24. UNIDO shares the view expressed by other United Nations organizations that it behoves them to assist recipient Governments in acquiring the national capacity to implement technical cooperation projects. The UNIDO component will be prepared pending the development of a training package by the International Training Centre of the International Labour Organisation. Under preparation by the Centre, the package will include both conceptual and technical modules in training, fellowships management and related subjects with a view to setting up a network of selected training institutions. While no schedule has been established for completion of the package, it is anticipated that the modules will be the subject of further discussion by the executing agencies. It must also be borne in mind that the implementation of additional activities within the future component of the comprehensive policy framework will be subject to the availability of resources.

25. As the only collection of information available on a global level in the field of industrial training, the Guide to Training Opportunities for Industrial Development represents an important UNIDO resource to developing countries in respect of acquiring the requisite skills for project execution. Within the context of national execution UNIDO is reviewing possibilities for expansion of the Guide. Other organizations in the United Nations system have expressed their intention to issue similar publications covering their respective fields of competence.

26. Within the scarce resources available, the Secretariat has introduced a management component into numerous training activities. An integral part of the technical course in Blantyre referred

* Figures do not include participants in training activities organized within the framework of UNIDO-executed field projects.

to in paragraph 18 above brought production managers in Malawi up to date on technical aspects of furniture and joinery production. Production management was also the subject of an in-plant group training programme in manufacturing held in Japan in 1992. Participants, including managers, from nine developing countries were introduced to the most advanced production management systems in the host country.

27. Within the context of the programme for the Second Industrial Development Decade for Africa, preparatory assistance in 1991 included an integrated training programme for improved rehabilitation management. Highly commended by the Government of Burkina Faso and by UNDP in Ouagadougou, in-service training from that programme resulted in the approval of a project under the least developed countries component of the regular programme for technical cooperation, leading to new production processes for the rehabilitation of brick production in Burkina Faso.

28. Training seminars and workshops on investment project identification, preparation, appraisal and financing represent a further example of activities focusing on training of managers. In 1992, seven seminars involving the training of some 120 participants have already been conducted. Particular attention has been given to training programmes on investment project appraisal for banks and related institutions. Bankers, financial analysts, industrialists and investment decision makers continue to be trained in the methodology of the UNIDO Computer Model for Feasibility Analysis and Reporting.

III. ACTION REQUIRED OF THE BOARD

29. The Board may wish to take note of the information contained in the present document.